



UNITED STATES OF AMERICA
DEPARTMENT OF TRANSPORTATION
OFFICE OF THE SECRETARY
WASHINGTON, D.C.

Order 96-3-57

Issued by the Department of Transportation
on the 26th day of March, 1996

Served: April 1, 1996

Essential air service at

TUSCALOOSA, ALABAMA

under 49 U.S.C. 4173 *et seq.*

Docket OST-95-371

ORDER EXTENDING SERVICE OBLIGATION

On June 2, 1995, Flagship Airlines, Inc., d/b/a American Eagle, filed a 90-day notice of intent to suspend service at Tuscaloosa, Alabama, as of September 6, 1995. By Order 95-7-50, July 31, 1995, the Department prohibited American Eagle from suspending service at Tuscaloosa for 30 days beyond the end of its 90-day notice period, through October 6, 1995, and requested proposals from carriers interested in providing replacement service at the community. We have subsequently extended American Eagle's hold-in obligation for additional 30-day periods by a series of hold-in orders; Order 96-2-41, February 22, 1996, the most recent of these, extended American Eagle's obligation through April 13, 1996.²

Because we have not yet received any proposals, this case will not be completed before the end of the current 30-day hold-in period. In accordance with 49 U.S.C. 41734(c), we will therefore extend American Eagle's service obligation at Tuscaloosa for an additional 30 days, through May 1996, or until replacement service actually begins, whichever is first.

This order is issued under authority delegated in 49 CFR 1.56(i).

ACCORDINGLY,

1. We require Flagship Airlines, Inc., d/b/a American Eagle, to maintain essential air service at Tuscaloosa, Alabama, as set forth in Appendix C of Order 95-7-50 and amended by Order 95-11-28, for an additional 30-day period through May 3, 1996, or until a carrier capable of providing reliable replacement service actually begins service, whichever is first;
2. We direct Flagship Airlines, Inc., d/b/a American Eagle, to retain all books, records, and other source and summary documentation to support subsidy claims for payment, and to preserve and maintain such documentation in a manner that readily permits its audit and examination by representatives of the Department. Such documentation shall be retained for seven years or until the Department indicates that the

¹ We subsequently resolicited proposals for replacement service at Tuscaloosa as well as nearby Anniston, Alabama, by Order 96-1-7, January 11, 1996.

² The terms of American Eagle's obligation as set forth in Order 95-7-50 were later modified by Order 95-11-28, November 17, 1995.

³ In accordance with 49 U.S.C. 41734(c), we will extend American Eagle's service obligation for successive 30-day periods as necessary until replacement service actually begins.

records may be destroyed. Copies of flight logs for aircraft sold or disposed of must be retained. The carrier may forfeit its compensation for any claim that is not supported under the terms of this order; and

3. We will serve a copy of this order on the Mayor and airport manager of Tuscaloosa, Alabama, the Governor of Alabama, the Alabama Department of Transportation, and Flagship Airlines, Inc., d/b/a American Eagle.

By:

CHARLES A. HUNNICUTT
Assistant Secretary for Aviation
and International Affairs

(SEAL)